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U.S. Department of Health and Human Services | Social Security Administration | Office of Policy | Office of Research and Statistics

research and statistics note

NOTE NO. 1
FEBRUARY 18, 1981

BENEFITS AND BENEFICIARIES UNDER PUBLIC EMPLOYEE RETIREMENT SYSTEMS, CALENDAR YEAR 1978*

During calendar year 1978, 5.3 million people received benefits amounting to $30.9 billion as beneficiaries of various Federal, State, and local employee retirement systems. This represents an increase of 12.5 percent in benefit payments over calendar year 1977, and an increase of 5.4 percent in the beneficiary population.

As in previous years, the Federal Government retirement system accounted for about two-thirds of all benefit payments and slightly more than half of the beneficiaries. State and local retirement systems paid one-third of all benefits to the remaining 46 percent of the beneficiaries. These proportions have remained fairly stable since the mid-1960's, varying only within 5 percentage points.

Table 1 shows individual 1978 figures on the benefits and beneficiaries of public employee retirement systems, arranged by category of risk, that is, reason for benefit receipt.

Table 2 shows annual changes in the distribution of benefits and beneficiaries by level of administering government and by risk. During the past decade, age and service retirement benefits have slowly increased in importance; from three-fourths in 1968, they had come to represent nearly four-fifths of all benefits paid in 1978. The distribution of beneficiaries has also increased slightly over this 10-year period in the age and service category.

Examined by level of government, approximately 99 percent of both benefits and beneficiaries fall under the aegis of one of the three largest retirement systems: the Federal Civil Service, Armed Forces, and State and local categories. The last-named is not a single entity, but an aggregate of the 3,075 retirement systems surveyed by the Census of Governments. The 197 State government systems account for about seven-tenths of all State and local benefit payments and a majority of the beneficiaries as well.

Table 3 shows average annual per capita benefit amounts, arranged by level of government and category of risk. Federal Government benefits in general are substantially higher than the amount of their State and local counterparts. An important reason for this is the fact that the two large Federal systems, the Civil Service and Armed Forces, include automatic cost-of-living benefit increases while many State and local systems do not. At each level of government, age and service annuitants received the highest benefits. Disability benefits were slightly lower, while survivors received less than half of the age and service amount. For the second year State and local benefits conformed to this previously Federal pattern. Largely because of traditionally high benefit provisions for police and firefighters, State and local disability benefits had been higher than their age and service counterparts from 1955 to 1976. Since 1968, however, the difference between the two has grown smaller each year. In 1977 the State and local age and service benefit was 0.5 percent higher than the disability one, and in 1978 that gap widened to 4.8 percent.

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When the average annual benefits are examined in constant dollars (table 4), the apparently large increases in benefit amounts between 1968 and 1978 are shown to be largely due to the influence of inflation. Only the Federal survivor benefit has increased more than 30 percent in that time while the State and local survivor benefit has actually declined in real terms, to about 60 percent of its 1968 value.

Tables 5 and 6 provide time series data on public employee retirement systems, table 5 by category of risk and table 6 by level of government. Data for the Federal Civil Service and Armed Forces retirement systems are also shown separately in table 6.

Technical Note

Data on the beneficiaries of State and local government retirement systems are available only through the quinquennial Census of Governments, last performed in 1977. The data presented for intercensile years are estimated by the Office of Research and Statistics. Changes in the beneficiary population should therefore be measured from one Census year to another—1962-67, 1967-72, etc.

The total amount of benefits paid out under State and local retirement systems is published annually by the Bureau of the Census for the fiscal year.[1] The calendar year figures presented in this report are based on the aggregation of two fiscal years. The proportion of total benefits assigned to each category of risk is estimated on the basis of the proportions observed in the most recent Census of Governments.

Data on the benefits and beneficiaries of Federal retirement systems are derived from calendar year data supplied by the administering agency of each system.

[1]U.S. Department of Commerce, Bureau of the Census, *Governmental Finances*, issued in September of each year.

TABLE 1.--Benefits and beneficiaries under public employee retirement systems by reason for benefit receipt, 1978

Retirement system	Total	Age and service	Disability	Survivor	
				Monthly	Lump sum
	Benefits (in thousands), calendar year				
Total	$30,869,022	$24,520,335	$3,903,522	$2,110,793	$334,372
Federal employees	20,709,022	15,884,335	3,192,522	1,602,793	29,372
Civil Service	10,925,162	7,360,150	2,112,373	1,424,944	27,695
Other	9,783,860	8,524,185	1,080,149	177,849	1,677
Contributory systems	127,789	107,009	8,457	10,646	1,677
Federal judiciary survivors 1/	1,875	---	---	1,875	---
Federal Reserve Board 2/	3,120	2,502	259	359	---
Foreign service	95,234	83,125	5,969	6,032	108
Tennessee Valley Authority	27,560	21,382	2,229	2,380	1,569
Noncontributory systems	9,656,071	8,417,176	1,071,692	167,203	---
Armed Forces	9,420,220	8,222,004	1,040,090	158,126	---
Canal Zone construction	173	173	---	---	---
Coast Guard 3/	161,448	130,391	26,235	4,822	---
Federal judiciary 4/	9,844	8,871	923	50	---
Federal Reserve banks 2/	29,293	25,510	749	3,034	---
NOAA 5/	2,514	2,040	387	87	---
Public Health Service 6/	32,089	27,741	3,308	1,040	---
Tax Court 7/	490	446	---	44	---
State and local employees 8/	10,160,000	8,636,000	711,000	508,000	305,000
	Beneficiaries as of June 30 9/				
Total	5,275,270	3,862,814	649,635	762,821	
Federal employees	2,857,270	1,903,814	480,635	472,821	
Civil Service	1,564,510	824,696	323,446	416,368	
Other	1,292,760	1,079,118	157,189	56,453	
Contributory systems	11,256	8,298	1,119	1,839	
Federal judiciary survivors 1/	193	---	---	193	
Federal Reserve Board 2/	313	251	26	36	
Foreign Service	5,595	4,438	377	780	
Tennessee Valley Authority	5,155	3,609	716	830	
Noncontributory systems	1,281,504	1,070,820	156,070	54,614	
Armed Forces 10/	1,252,129	1,048,193	151,749	52,187	
Canal Zone construction 11/	246	246	---	---	
Coast Guard 3/ 10/	19,605	14,269	3,859	1,477	
Federal judiciary 4/ 11/	205	181	19	5	
Federal Reserve banks 2/	7,386	6,432	189	765	
NOAA 5/ 10/	150	99	27	24	
Public Health Service 6/ 10/	1,771	1,392	227	152	
Tax Court 7/ 10/	12	8	---	4	
State and local employees 8/ 12/	2,418,000	1,959,000	169,000	290,000	

1/ Excludes annuities to widows of Supreme Court justices see footnote 4.
2/ In October 1970, Federal Reserve banks plan became noncontributory, Board plan remaining contributory. Data represent calendar year and are not comparable with 1969 and earlier years reported for Federal Reserve Board fiscal years March 1- February 28.
3/ Includes former Lifesaving and Lighthouse Services and Lighthouse widows.
4/ Includes retired Supreme Court justices and other Federal judges retired on salary, as well as noncontributory annuities to widows of Supreme Court justices.
5/ National Oceanic and Atmospheric Administration commissioned officers.
6/ Commissioned officers.
7/ Retirement pay for judges, noncontributory; survivor benefits, contributory.
8/ Benefits estimated by Social Security Administration from Census of Governments data for fiscal years; beneficiaries estimated from most recent (1977) quinquennial Census of Governments benchmarks.
9/ Unless otherwise specified, number of survivor beneficiaries represents number of individuals.
10/ Survivor beneficiaries represent families.
11/ Survivor beneficiaries represent widows only.
12/ Survivor beneficiaries represent payees not necessarily individuals.

SOURCE: As reported by administering agencies, except as noted.

TABLE 2.—Percentage distribution of benefits and beneficiaries of public employee retirement systems, by reason for benefit receipt and level of government, 1968 and 1976-78

Item	Percentage distribution			
	1978	1977	1976	1968
	All levels, by reason			
REASONS FOR RECEIPT				
Total benefits	100.0	100.0	100.0	100.0
Age and service	79.4	79.5	79.5	75.8
Disability	12.6	12.8	12.6	14.8
Survivor, monthly	6.8	6.7	6.7	7.1
Survivor, lump sum	1.1	1.1	1.2	2.3
Total beneficiaries	100.0	100.0	100.0	100.0
Age and service	73.2	73.1	73.3	71.3
Disability	12.3	12.2	12.2	14.2
Survivor, monthly	14.5	14.7	14.5	14.5
	All reasons, by level			
LEVEL OF GOVERNMENT				
Total benefits	100.0	100.0	100.0	100.0
Federal	67.1	67.2	67.5	64.1
Civil Service	35.4	35.1	35.0	30.1
Armed Forces	30.5	30.9	31.3	32.6
All other	1.2	1.2	1.2	1.4
State and local	32.9	32.8	32.5	35.9
Total beneficiaries	100.0	100.0	100.0	100.0
Federal	54.2	54.6	55.5	58.1
Civil Service	29.7	29.7	30.2	32.7
Armed Forces	23.7	24.1	24.5	24.4
All other	.8	.8	.8	1.0
State and local	45.8	45.4	44.5	41.9

TABLE 3.—Average annual benefits, by reason for benefit receipt and level of government, 1968 and 1976-78, and percent increase, 1968-78, in current dollars

Item	1978	1977	1976	1968	Percent change 1968-78
ALL PUBLIC EMPLOYEE RETIREMENT SYSTEMS					
All reasons for receipt	$5,788	$5,421	$5,116	$2,538	128.0
Age and service	6,348	5,955	5,615	2,764	129.7
Disability	6,009	5,724	5,367	2,705	122.1
Survivor, monthly	2,767	2,507	2,386	1,268	118.2
FEDERAL EMPLOYEE RETIREMENT SYSTEMS					
All reasons for receipt	7,238	6,730	6,283	2,854	153.6
Age and service	8,343	7,760	7,267	3,370	147.6
Disability	6,642	6,246	5,793	2,726	143.6
Survivor, monthly	3,390	3,074	2,813	1,167	190.5
STATE AND LOCAL EMPLOYEE RETIREMENT SYSTEMS					
All reasons for receipt	4,076	3,844	3,661	2,099	94.2
Age and service	4,408	4,164	3,926	2,124	107.5
Disability	4,207	4,145	4,029	2,625	60.3
Survivor, monthly	1,752	1,596	1,647	1,518	15.4

TABLE 4.—Average annual benefits, by reason for benefit receipt and level of government, 1968 and 1976-78, and percent increase 1968-78, in constant (1967) dollars

Item	1978	1977	1976	1968	Percent change 1968-78
ALL PUBLIC EMPLOYEE RETIREMENT SYSTEMS					
All reasons for receipt	$2,962	$2,987	$3,001	$2,436	21.6
Age and service	3,249	3,281	3,293	2,652	22.5
Disability	3,075	3,154	3,148	2,596	18.4
Survivor, monthly	1,416	1,381	1,399	1,217	16.4
FEDERAL EMPLOYEES RETIREMENT SYSTEMS					
All reasons for receipt	3,704	3,708	3,685	2,739	35.2
Age and service	4,270	4,276	4,262	3,234	32.0
Disability	3,399	3,441	3,398	2,616	29.9
Survivor, monthly	1,735	1,694	1,650	1,120	54.9
STATE AND LOCAL EMPLOYEE RETIREMENT SYSTEMS					
All reasons for receipt	2,086	2,118	2,147	2,014	3.6
Age and service	2,256	2,294	2,303	2,038	10.7
Disability	2,153	2,284	2,363	2,520	-14.6
Survivor, monthly	897	879	966	1,457	-38.4

TABLE 5.--Benefits and beneficiaries of public employee retirement systems, by reason for benefit receipt, 1954-78

Calendar year	Benefits (in millions)					Beneficiaries as of June 30 (in thousands)			
	Total	Age and service	Disability	Survivor		Total	Age and service	Disability	Survivor monthly
				Monthly	Lump sum				
1954	$1,300.0	$880.6	$300.8	$68.7	$49.5	849.5	559.3	180.3	109.9
1955	1,463.2	998.0	334.7	80.6	49.8	917.4	606.1	188.8	122.5
1956	1,664.6	1,152.8	369.8	96.3	55.7	1,004.2	671.5	196.7	136.0
1957	1,887.3	1,331.1	377.2	111.6	61.5	1,107.5	756.2	200.8	150.4
1958	2,155.8	1,533.9	419.1	134.7	68.0	1,222.1	834.8	217.2	170.2
1959	2,424.1	1,735.7	459.1	162.1	67.2	1,341.2	906.6	231.5	203.1
1960	2,673.6	1,921.4	491.9	184.6	75.7	1,447.9	977.2	247.2	223.5
1961	3,007.8	2,181.4	530.2	208.3	87.9	1,578.3	1,072.3	262.9	243.1
1962	3,303.0	2,406.8	570.6	228.6	96.9	1,688.1	1,149.5	279.9	258.7
1963	3,753.9	2,762.8	624.9	265.6	100.7	1,837.5	1,263.4	293.7	280.4
1964	4,252.7	3,151.0	692.8	295.8	113.1	1,983.7	1,372.4	310.3	301.0
1965	4,720.4	3,520.1	751.3	324.4	124.6	2,117.3	1,472.2	326.7	318.8
1966	5,478.7	4,104.5	856.7	382.3	135.3	2,293.3	1,607.1	346.1	340.0
1967	6,171.8	4,636.2	942.5	446.0	145.1	2,474.3	1,743.6	364.4	366.3
1968	6,926.5	5,250.1	1,022.5	491.8	162.0	2,665.6	1,899.8	378.1	387.7
1969	7,919.7	6,052.3	1,134.9	553.6	178.9	2,853.5	2,049.0	388.1	408.3
1970	9,355.2	7,209.5	1,311.8	644.7	189.2	3,050.1	2,204.3	418.8	426.9
1971	10,946.8	8,552.7	1,490.7	733.9	199.5	3,265.0	2,378.1	438.7	451.3
1972	12,783.3	10,038.8	1,687.4	837.1	220.0	3,474.5	2,542.7	456.3	475.6
1973	14,974.7	11,866.8	1,906.7	965.1	236.1	3,796.4	2,784.9	486.7	524.7
1974	18,051.7	14,381.7	2,240.6	1,171.1	258.4	4,136.3	3,035.4	517.7	583.2
1975	21,617.3	17,199.7	2,707.3	1,438.9	271.4	4,427.7	3,243.1	549.1	635.5
1976	24,525.6	19,505.8	3,095.9	1,641.4	282.5	4,738.7	3,747.0	576.8	688.0
1977	27,429.0	21,795.1	3,499.6	1,842.2	292.0	5,006.3	3,660.0	611.4	734.9
1978	30,869.0	24,520.3	3,903.5	2,110.8	334.4	5,275.3	3,862.8	649.6	762.8

TABLE 6.--Benefits and beneficiaries of public employee retirement systems, by level of government, 1954-78

Calendar year	Benefits (in millions)					Beneficiaries as of June 30 (in thousands)				
	All systems	Federal			State and local	All systems	Federal			State and local
		Total 1/	Civil Service	Armed Forces			Total 1/	Civil Service	Armed Forces	
1954	$1,300.0	$764.5	$337.7	$357.9	$535.0	849.5	450.5	269.3	167.9	399.0
1955	1,463.2	868.2	379.6	456.0	595.0	917.4	490.4	296.9	379.5	427.0
1956	1,664.6	987.6	455.7	495.6	677.0	1,004.2	533.2	327.1	191.3	471.0
1957	1,887.3	1,106.3	535.9	531.1	775.0	1,107.5	584.5	369.3	199.9	523.0
1958	2,155.8	1,280.8	637.4	600.8	875.0	1,222.1	649.1	418.2	215.0	573.0
1959	2,424.1	1,499.1	740.5	663.7	975.0	1,341.2	722.2	475.5	230.3	619.0
1960	2,673.6	1,598.6	816.1	732.2	1,078.0	1,447.9	787.9	514.9	256.0	660.0
1961	3,007.0	1,804.8	908.7	845.3	1,203.0	1,578.3	869.3	559.1	292.6	709.0
1962	3,303.0	2,006.1	999.8	961.7	1,296.9	1,688.1	949.1	601.7	328.9	739.0
1963	3,753.9	2,303.9	1,148.7	1,097.3	1,450.0	1,837.5	1,044.5	643.0	382.2	793.0
1964	4,252.7	2,642.7	1,269.8	1,310.1	1,610.0	1,983.7	1,143.7	688.0	434.7	840.0
1965	4,720.4	2,945.4	1,384.1	1,429.8	1,775.0	2,117.3	1,231.3	726.9	481.0	886.0
1966	5,478.7	3,493.7	1,713.1	1,703.2	1,985.0	2,293.3	1,348.3	795.7	529.8	945.0
1967	6,171.8	3,951.8	1,905.9	1,960.2	2,220.0	2,474.3	1,445.3	831.2	590.1	1,029.0
1968	6,926.5	4,441.5	2,086.8	2,259.6	2,485.0	2,665.6	1,548.6	871.9	651.3	1,117.0
1969	7,919.7	5,084.7	2,346.0	2,631.3	2,835.0	2,853.5	1,650.5	910.4	714.0	1,203.0
1970	9,355.2	6,075.2	2,819.9	3,133.1	3,280.0	3,050.1	1,759.1	958.8	772.8	1,291.0
1971	10,946.8	7,126.8	3,329.4	3,680.2	3,820.0	3,265.0	1,886.0	1,026.3	831.3	1,379.0
1972	12,783.3	8,248.3	3,946.4	4,148.8	4,535.0	3,474.5	2,011.5	1,091.8	890.2	1,463.0
1973	14,974.7	9,659.7	4,808.4	4,679.3	5,315.0	3,796.4	2,171.4	1,192.5	948.2	1,625.0
1974	18,051.7	11,941.7	6,082.5	5,651.0	6,110.0	4,136.3	2,350.3	1,306.2	1,011.5	1,786.0
1975	21,617.3	14,592.3	7,531.5	6,808.0	7,025.0	4,427.7	2,479.7	1,372.1	1,073.0	1,948.0
1976	24,525.6	16,545.6	8,584.4	7,673.6	7,980.0	4,738.7	2,629.7	1,432.0	1,161.0	2,109.0
1977	27,429.0	18,429.0	9,625.8	8,479.2	9,000.0	5,006.3	2,735.3	1,487.9	1,208.3	2,271.0
1978	30,869.0	20,709.0	10,925.2	9,420.2	10,160.0	5,275.3	2,857.3	1,564.5	1,252.1	2,418.0

1/ Includes Federal systems other than Civil Service and Armed Forces, not shown separately.

RESEARCH AND STATISTICS NOTES, 1980

The Research and Statistics Notes are designed to get information quickly into the hands of users. These Notes may report on ongoing research, summarize preliminary findings or provide addenda to material already published. Notes published in 1980 are:

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2	Social Welfare Expenditures, Fiscal Year 1978	February 14, 1980
3	Social Security Beneficiaries Using the Direct Deposit Procedure, December 1978	March 20, 1980
4	Benefits and Beneficiaries Under Public Employee Retirement Systems, Calendar Year 1977	April 4, 1980
5	Federal Employees Also Having OASDI-Covered Employment, 1975	April 22, 1980
6	Indochina Refugees Receiving Supplemental Security Income, July 1978	May 7, 1980
7	SSI Beneficiaries in Metropolitan Area, December 1977	May 23, 1980
8	Women Social Security Beneficiaries Aged 62 and Older, 1960-79	July 21, 1980
9	Representative Payments Under the SSI Program, August 1977	September 16, 1980
10	State and Local Government Employees Covered Under Social Security, 1977-79	September 17, 1980
11	Effects of OASDI Benefit Increase, June 1980	November 5, 1980
12	Preliminary Findings from the 1978 Survey of Survivor Families with Children	November 7, 1980
13	Federal Workers Covered by OASDI, 1975	December 16, 1980
14	SSI Recipients and Title XX Services, July-September 1977	December 17, 1980

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